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SUBJECT: IAEA: MARCH BOARD WRAP-UP

REF: (A) STATE 18988 (B) UNVIE VIENNA 0067

SUMMARY

¶1. (SBU) USDEL was broadly successful in using the March 2-5, 2009 IAEA Board of Governors meeting as a platform to enunciate the new Administration's support for the IAEA and renewed commitment to multilateral cooperation. U.S. interventions conveyed the overarching objective of building a robust IAEA that can effectively fulfill its nuclear safeguards, safety and security mandate and promote peaceful uses of nuclear technology. Other delegations and officials in the IAEA Secretariat both explicitly and privately appreciated the positive tone and content of U.S. statements, particularly our broad points on Administration policy at the start of our intervention on the Safety Review and our "clever" (per a Jordanian counterpart) reliance on a P5+1 statement on Iran. As reported in this message and septels, USDEL made progress on the objectives:

-- Ensuring that the election of the next Director General is conducted in a timely manner with minimal disruption while securing Board support for DG term limits;

--Urging cooperation by Iran with the IAEA investigation, i.e. Iran's blockage of the investigation while ramping up its enrichment capacity is not an acceptable status quo, and such cooperation would take forward momentum on diplomatic engagement and direct dialogue;

-- Signaling continued support for IAEA verification in Syria with an appropriate technical focus on the need for Syrian cooperation and access to debris and locations;

-- Achieving preliminary Board discussion of the International Nuclear Fuel Bank (INFB) and the Russian fuel assurance proposal with a view toward approval by the June Board.

Iran, Syria, DPRK, DG Election/term Limits, and Reliable Access to Nuclear Fuel (AOB) are reported septels. The Board also approved by consensus an India Additional Protocol (AP), making a penultimate step towards implementation of the U.S.-India nuclear deal, along with APs for UAE and Djibouti. End Summary.

DIRECTOR GENERAL'S STATEMENT

¶2. (U) Director General ElBaradei opened the March 2009 Board meeting by noting that great improvements to safety and security are

being realized, and developments are being made in the use of nuclear applications for a wide range of needs including medical imaging, cancer therapy, food security, and in assisting member states in creating new mechanisms to meet the Millennium Development Goals. He noted an increase in strategic partnerships with the FAO, WHO, OECD and other UN agencies and NGOs that will allow the IAEA to expand its core objectives. DG ElBaradei also noted that 2008 was the first year since 1955 that not a single new power reactor came on line, yet was an extremely active year for design and construction start ups, including a record 26 license applications in the United States alone, indicating an acceleration in the acceptance and use of nuclear power throughout the world in the years to come.

13. (U) The DG noted there was also a marked increase in Technical Cooperation projects related to nuclear power in 2008, as well as requests for assistance from many "newcomer" member states interested in exploring ways that nuclear technology can provide new avenues for both energy and development.

14. (U) Finally, DG ElBaradei also observed that the Agency's budget will be a priority in the months to come. Because of an increase in threats to nuclear security, increasing demand for nuclear energy, and an ever increasing demand from member states for assistance in development, the budget must be addressed and a stable and assured increase will need to be agreed on and acted upon quickly, he said.

AMBASSADOR'S OPENING STATEMENT

15. (U) Ambassador used the first U.S. intervention in this first Board of Governors meeting of the Obama Administration to good effect, prefacing our remarks on the Agency's Nuclear Safety Review document with broader points about the Administration's support for the Agency. Several representatives of other delegations, including from Middle Eastern countries, commented privately to USDEL members afterwards that they welcomed the tone of our message. Full text of Ambassador's statement follows.

16. (U) Begin official text:

Madam Chairwoman,
This is the first meeting of the IAEA Board since the inauguration of President Obama. This is a moment of complex challenge for the IAEA, but also a moment of unparalleled opportunity with a renewed American commitment to the United Nations and multilateral diplomacy. My delegation notes with appreciation the positive interest of Member States in the U.S. Presidential election and in the ongoing adjustment and review of U.S. policies, including many that affect the work of the Agency. I hope, Madame Chairwoman, you will permit me to start my intervention with five points on behalf of the new U.S. Administration.

First, President Obama and his new Administration strongly support the International Atomic Energy Agency in all aspects of its mission. We seek to strengthen the IAEA and to ensure that the Agency gets the authority, information, people, and technology it needs to do its job. Our top priority is the verification role of the Agency, which is essential to creating the confidence that enables countries worldwide to benefit from peaceful use of nuclear technology. This essential verification role will grow as more and more countries invest in nuclear power to provide clean energy for growth and development. Instruments like the Additional Protocol will become increasingly important not just for verification but to build confidence among nations.

Second, we support the important role the IAEA plays in global efforts to help countries adopt the highest standards for nuclear security and protection of nuclear materials. President Obama has identified preventing terrorists from acquiring nuclear and radiological weapons as his number one security priority. The National Nuclear Security Administration of the U.S. Department of Energy is already pursuing a major Global Threat Reduction Initiative to reduce and protect vulnerable nuclear and radiological material located at civilian sites worldwide. We will continue to look to the IAEA for support in global efforts to secure nuclear materials; to phase out the use of highly enriched uranium in the civil nuclear sector; to strengthen international intelligence and

police cooperation to prevent WMD terrorism; and to help build the capacity of governments around the world to prevent the theft or diversion of nuclear materials.

Third, President Obama has expressed strong support for the creation of an IAEA-administered nuclear fuel bank. While in the U.S. Senate, both he and Secretary Clinton supported legislation providing \$50 million to the IAEA in response to the challenge grant from the Nuclear Threat Initiative. The Administration wants to work with the IAEA and Member States to put into place a fuel bank that would allow countries to benefit from the peaceful uses of nuclear energy without increasing the risks of nuclear proliferation. We welcome the initiatives by the Russian Federation and the Nuclear Threat Initiative, as well as by many others. Fourth, we believe that preserving the Agency's credibility in implementing NPT safeguards depends on our success in dealing with the immediate challenges - specifically those posed by North Korea, Iran, and Syria. The new Administration intends to strengthen diplomatic efforts to address each of these challenges. One principle will remain constant and is shared by us all: The need for countries to abide by their international obligations, including cooperation with the IAEA. We must strengthen and revalidate this important Agency rather than allowing those who violate their obligations to discredit it.

Fifth, the new Administration recognizes that the IAEA's essential role in non-proliferation is part of a broader international effort that includes diplomacy and disarmament. While the IAEA must pursue its essential verification role, there is also a role for diplomacy in ensuring the viability of the NPT. Hence, the Administration's readiness for direct engagement with Tehran as part of the international effort to convince Iran's leadership to meet its responsibilities. Hence, the Administration using dialogue with Syria to encourage its leaders to cooperate with the IAEA. Hence, the Administration's commitment to the Six-Party process to pursue the denuclearization of the North Korea.

The new Administration also recognizes that NPT obligations encompass disarmament as well as nonproliferation. President Obama supports the goal of working toward a world without nuclear weapons.

His Administration intends to renew America's commitment to disarmament, including dramatic reductions in U.S. and Russian stockpiles of nuclear weapons and material and a verifiable global ban on the production of new nuclear weapons material. President Obama believes that the best way to reduce global threats and seize global opportunities is to design and implement global solutions. The new administration looks forward to a close working relationship with the IAEA, its Secretariat, and its Member States to advance our common objective of promoting the safe, secure, and peaceful use of nuclear technology.

Thank you, Madame Chairwoman.
End text.

NUCLEAR SAFETY REVIEW

17. (U) In his introduction to the Nuclear Safety Review Department, Deputy Director General Taniguchi noted that current safety practices are adequate. However, looking to the future and recognizing an increased interest in nuclear energy by member states, he flagged the need for continuous improvement in nuclear safety and security and the role the IAEA and its Member States play in these areas through standards and infrastructure development, self-assessment and peer reviews, and knowledge and information sharing. He listed as challenges ahead including the need for global adherence to international legal instruments; dwindling numbers of technically competent personnel for regulators, operators and vendors; the need for integration and harmonization of safety approaches; and, transparency to bolster public confidence.

18. (U) DDG Taniguchi was followed by Nuclear Energy Agency (NEA) Director General Echavarri, who noted his agency's collaboration with IAEA in several of these areas. Of particular note was the 2008 publication of the first NEA Nuclear Energy Outlook, with high and low projections for growth in nuclear power that ranges from 150 to 600 new nuclear power plants by 2050. He also sounded a theme picked up subsequently by many of the Member States in their statements, that the supply of medical radioisotopes is extremely fragile and that the world's supply comes from 5 aging research reactors through a complex distribution chain. He estimated it will take 5-10 years for additional capacity to become available, and

urged governments to invest in this technology, as private investment would not be adequate to meet the need. The importance of the safety program, noted by several countries as a fundamental mandate of the IAEA, was underscored by the 26 countries which made statements on the subject.

¶9. (U) There were several common themes in the statements made by the three groups -- Argentina speaking for the G-77 and China, Nigeria speaking for the African states, and the Czech Republic speaking for the European Union. First was to emphasize the key role of the IAEA in ensuring access to the benefits of nuclear technology and the need for "vigilance and concrete actions" in support of nuclear safety with an emphasis on safety being the responsibility of the nation and the operator. Second was a noted increase in reported incidents as captured in the Nuclear Safety Review's appendix, an increase of over 60 incidents from 2007 (114 to over 180), where over half the events were attributable to medical misadministrations. Third, the group statements noted the need to share knowledge and to enhance emergency preparedness. Fourth, and repeated by many Member States in their interventions, the need for the issue of nuclear liability to be included in the Nuclear Safety Review was questioned (which DDG Taniguchi noted was in the report because GSR-1 includes the requirement for an appropriate liability mechanism.) Many believed the Response Assistance Network (RANET) program should be given greater prominence through member states registering their assets for use in an emergency. Fifth, the issue of denial of shipments and/or delay of access to radioactive and nuclear materials for uses in medical, agricultural and industrial fields was raised, with the associated concerns related to transport of radioactive materials. Sixth, all the groups emphasized the need for global adherence to the international legal instruments which provide the framework for safety cooperation and assistance activities (including the non-legally binding Codes of Conduct on sources and research reactors). Last, all groups highlighted that although safety and security are important they should not be used to hamper the beneficial uses of nuclear and radiological material.

¶10. (U) Themes which arose from the 26 Member State interventions included addressing challenges ranging from the need for regulatory independence, provision of technically skilled and adequately funded staff, the demands of new construction and licensing as well as vendor inspections, the need for a balanced safety-security interface (which DDG Taniguchi noted the IAEA "will work to enhance, and integrate to the degree it is necessary"), addressing safety needs concerning mining, including the IAEA's Uranium Production Appraisal Team (UPSAT) missions, and effective communication with the public to ensure support for nuclear energy. The IAEA was commended for the opening of the International Seismic Center. In addition, Member States mentioned the work of regional groups such as the Ibero-American Forum and the Small Nuclear Programs Network, the Asia Nuclear Safety Network and the need to continue to interface with other international organizations such as the World Health Organization, ICAO and IMO

¶11. (U) Among other items of note, Argentina cautioned the Board on the review of the Basic Safety Standards (BSS), stating that changes could affect existing regulations and legislation, and cited the case of regulation of radon, which Argentina believes needs further "painstaking and substantive study" before being included in a revised BSS. Finland reminded countries considering nuclear energy that nuclear programs and the construction of nuclear facilities are very complex. Finland also noted that all aspects of a nuclear program require an integrated strategy from the outset, citing that in their own case there were over 1900 subcontractors at the Olkiluoto nuclear power plant, adding a new and difficult dimension to regulatory oversight. Canada took exception to the inclusion of a minor unplanned shutdown without offsite radiological exposure at Pickering in the Nuclear Safety Review addendum, and requested that IAEA clarify its criteria for listing those events. Canada also suggested that the Nuclear Safety Review not be comprehensive in its topical coverage each year, but rather take a biennial approach so that topics can be covered in more depth in alternate years. The UK requested that Integrated Regulatory Review Service (IRRS) missions be given more prominence in the Nuclear Safety Report, and New Zealand noted the need for regular budgeting for the Office of Nuclear Security. There were many statements highlighting the need for the IAEA to assist Member States with medical isotopes and

equipment for medical isotope production, due to the shortages felt around the world this past year, and on the need for better safety regulation for medical facilities. Many Member States highlighted the importance of IAEA's RANET system. The Czech Republic speaking for the European Union also agreed with the report that the IAEA's Incident and Emergency Center (IEC) should be strengthened. In all, comments about the importance of the security came in 23 of the 26 Member State interventions. Argentina speaking for the G-77 and China, Nigeria speaking for the African states, and the Czech Republic speaking for the European Union all stressed the need for security of radiological sources for medical and uranium mining purposes. Argentina also called for a "Code of Conduct" needed for research reactors and not just power facilities. New Zealand announced a pledge of 35,000 NZD (approx. 17,500 USD) to the Nuclear Security Fund.

¶12. (SBU) Comment: There was more discussion this year about security issues and activities than there has been in the past. Although the report is called the Nuclear Safety Review it does include some security activities and there is obviously a desire on the part of Member States to discuss security as it relates to safety. Mission recommends that the U.S. encourage the IAEA to include more discussion of security activities and documents in this report next year. This would not replace or take away from the Annual Security Report, which is given to the Board in September. Rather, it would be another avenue for IAEA to highlight the important work it is doing in the security area and stress the need for Member States to focus on security. Given the Member States comments and the increased awareness of the need for security of radiological sources, the U.S. should also encourage the Agency to increase activities to support Member States in radiological security.

¶13. (SBU) Comment and Recommendation - RANET: Moreover, many Member States are supporting the IAEA's RANET system. Through RANET, Member States can register emergency response capabilities with IAEA. If there is a major accident in a country without sufficient response capabilities, IAEA would use RANET to pull together the personnel, equipment, etc., needed to respond to the event. The U.S. supports this system, but the Mission recommends that the U.S. promote it system and encourage other countries to register capabilities. If there are sufficient resources registered in RANET, there is no need for IAEA to develop a large Incident and Emergency Center. This is consistent with U.S. policies (a) that the IAEA be a coordinator not a responder and (b) to encourage countries that may not have reported incidents in the past to report them in future and receive "neutral" assistance from IAEA in responding. It is appropriate for the U.S. to signal strong support for RANET now given the increased support for the service from other Member States.

NUCLEAR TECHNOLOGY REVIEW

¶14. (U) The Board took note of the Director General's report on "Strengthening the Agency's activities related to nuclear science, technology and applications: Nuclear Technology Review 2009" GOV/2009/3. The discussion included statements from 30 countries, including two observers. According to the statements, the biggest issue for all member states is transfer of knowledge and human resources capacity development, which was mentioned by nearly every delegation. Not surprisingly, the second most important issue was the production and supply availability of radioisotopes for medical and research purposes. Climate change, facility modernization and the consequences of the financial crisis rounded out concerns from WEOG countries, while food production and security, medical research and water management topped the priorities of the G-77 countries. G-77 statements almost unanimously included mention of a nation's right to sovereignty over its energy portfolio, including nuclear power. The IAEA Program of Action on Cancer Therapy (PACT) and the FAO/IAEA Joint Division were also mentioned as models the Agency should following its future work.

¶15. (U) More than 30 Member States presented positions on the Agency's activities in nuclear S&T and non-power applications. They also contributed comments about the draft document entitled "Nuclear Technology Review (NTR) 2009," which is due to be published at the

53rd session of the General Conference in September 2009. In his introductory remarks Yuri Sokolov, Deputy Director General for Nuclear Energy, encouraged the spread of best practices in uranium mining among Members, human resource development, an integrated nuclear review process, and a timely publication of the Common User Consideration report. He also encouraged Member States to increase their financial contributions to enable the Agency to carry out requested activities. Sokolov's colleague Werner Burkart, DDG for Nuclear Sciences and Applications, expressed the IAEA's continued commitment to fusion research, capacity building, nuclear techniques to support crop expansion, improving human health and environment. He announced that a Practical Arrangement with the World Health Organization (WHO) is soon to be signed to create a Joint Program on Cancer Control.

¶16. (U) In addressing nuclear S&T, most Members requested the Agency's continued support in technology transfer, infrastructure development, capacity building (i.e. training for nuclear skills workers worldwide), and promotion of public awareness of the viability and usefulness of nuclear technology. Some members encouraged better coordination to avoid duplications between the Generation IV International Forum (GIF) and the Agency's International Project on Innovative Nuclear Reactors and Fuel Cycles (INPRO.) While some members expressed satisfaction with the growing reliance on evolutionary reactor designs, others (South Africa and South America) called for increased regional cooperation and networking in research reactor development. Many members urged the Agency to pay more attention to the developing countries. For example, China called on the IAEA to provide more assistance in Asia because of its regional energy demands. China also encouraged Member States to participate in the IAEA-China International Ministerial Conference on Nuclear Energy in the 21st Century to be held in Beijing, April 20-22, 2009. India mentioned that nuclear power currently provides about 3 percent of its electricity and that the national target is to meet 25 percent of electricity demand from nuclear by 2050. India called for Small-Medium Reactors and Thorium Breeder Reactors to be included in the NTR in order for information about these technologies to reach a wider audience. Japan reiterated its position on the 3S (security, safety, and safeguards) as a necessary components to develop nuclear power.

¶17. (U) In addressing non-power applications, most members stressed the importance of the Agency's activities related to the protection of marine and terrestrial environments, human health, food and agriculture, improving livestock productivity, diagnostic and therapeutic applications of nuclear medicine and the use of nuclear technology in sea water desalination and water resource management. Many members expressed concerns about the disruptions in the supplies of the radioisotope molybdenum-99 for diagnostic imaging and delayed shipments of this material in the past year. Members requested the Agency's assistance to resolve this issue. The EU also stressed the importance of strengthening agricultural development by using nuclear technologies. However, the EU stressed that closing or constraining research reactors in order to reduce proliferation threats was misguided. (Comment: The breadth of issues raised under this agenda item made clear that balancing the needs of nuclear "have" and "have not" countries and determining E nuclear applications focus remains a challenge to the Agency. End Comment.)

SAFEGUARD AGREEMENTS & ADDITIONAL PROTOCOLS

¶18. (U) The Board approved by consensus a comprehensive safeguards agreement (CSA) with a small quantities protocol (SQP) for Djibouti, and Additional Protocols (AP) for Djibouti, the United Arab Emirates, and India. Introducing the item, the Chair noted that the Board had in 1997 asked the Director General to conclude APs with three categories of states - Non-Nuclear Weapon States, for which the DG was asked to use the Model Protocol as the standard; Nuclear Weapon States as appropriate to contribute to nonproliferation and efficiency aims of the Model Protocol while staying consistent with NPT Article I obligations; and others prepared to accept measures provided for in the Model Protocol in pursuance of safeguards effectiveness and efficiency.

¶19. (U) Twelve countries spoke on this agenda item. Cuba on behalf of the NAM took note of the CSA and APs and used this opportunity to raise concern on behalf of the NAM regarding the confidentiality of safeguards information, leaks to the media, and the objective technical nature of the reports; this previewed further discussion under the Iran and Syria agenda items with respect to the release of those reports (septels). DG ElBaradei responded off the cuff by acknowledging the concern that leaks could lead to deliberate misinformation and "media hype." The DG underscored the necessity for confidentiality to ensure the integrity of safeguards investigations, but noted the challenge the IAEA faces in light of the fact it has staff from over 100 countries and that "very sophisticated" technologies target Agency information. Further addressing media reports, the DG said that "if it is not in our reports, ignore it." He said the Agency's reports try to distinguish between legal obligations and "transparency" measures. (Comment: Apparently implying media misrepresentations on this front. End comment) The DG closed his comments by making an "appeal to all to leave us in peace, keep your distance, let us do our work."

¶20. (U) The U.S. statement noted the entry into force of the U.S. AP in January and welcomed the agreements by Djibouti, India and UAE. Switzerland, later supported by Ireland, complained that there was not sufficient time to review the India AP, but did not block consensus. Both member states stressed this is not the first time the Board was given short notice for important proposals and asked that the DG avoid this practice in the future. (Note: ElBaradei later responded that the Secretariat sought to provide documents to the Board as soon as they were ready and the Board could decide the timing of its decisions on those documents. End note.) Afghanistan, Iraq and Ghana specifically supported India; U.S., France and South Africa welcomed the CSA and all of the APs. South Africa underscored the importance of countries with advanced nuclear programs taking extra measures to provide assurance of the peaceful nature.

¶21. (U) Dr. Anil Kakodkar, Chairman of the Atomic Energy Commission of India, spoke for his government (full text in para 23). He emphasized India's intent to cooperate with the IAEA on civilian nuclear issues, that expanding nuclear power is indispensable to meet energy needs, and drew attention to India's quick work on the AP text, which was made possible through the support of the Secretariat negotiating team and the BOG. He underscored India's particular circumstances and its intention to "further strengthen" the global nonproliferation system. He characterized the AP as a significant milestone in the India-IAEA relationship.

¶22. (U) Dr Kakodkar also noted the importance of energy security for India's population, which accounts for one sixth of humanity. He underlined India's robust self reliant program, mastery of the full fuel cycle, and cited the goal of a 15 fold increase in nuclear power over the next two decades. He described India's "indispensable" role in the global nuclear renaissance and committed that India's national export control system will remain on par with the best international standards, and reaffirmed India's disarmament policy. He characterized the AP as the culmination of the civil nuclear agreement and generally put a positive, forward looking spin on the Board decision.

¶23. Begin Indian Text:

Madame Chair,
The Indian delegation would like to convey its pleasure on seeing Algeria as Chair of the Board of Governors and compliment you on the excellent manner in which you are conducting its proceedings. We have requested the floor to speak on item 5(a) of the Board's Agenda, which is consideration of the Protocol additional to the Agreement between India and the IAEA on the application of safeguards to civilian nuclear facilities. As you are aware, on 2nd February this year, India and the IAEA signed the Safeguards Agreement. At the time of the Board's approval of India's Safeguard Agreement, in August 2008, we had indicated that India and the Agency had already undertaken discussions on an Additional Protocol to the Safeguards Agreement. Following the successful conclusion of discussions with Secretariat of the Agency, we are pleased that we were able to finalize the text of the Additional Protocol, which is now before the Board for its approval.

This Protocol is to be seen in the light of India's exercise of its sovereign right to cooperate with the Agency in the further development of the peaceful uses of nuclear energy. Its expeditious finalization is demonstration of India's determination to engage actively with the IAEA in implementing the Civil Nuclear Initiative and in taking forward the expansion of the peaceful uses of nuclear energy for its national development.

The text of the Additional Protocol to India's Safeguards Agreement was drawn up in negotiations conducted in accordance with the request made by the Board of Governors to the Director General in approving the text of the Model Additional Protocol that the Director General negotiate protocols "....with other states that are prepared to accept measures provided for in the Model Protocol in pursuance of safeguards effectiveness and efficiency objectives". Therefore, this Additional Protocol draws on elements of the Model Additional Protocol keeping in mind India's particular circumstances and to further enhance global nuclear non-proliferation objectives by strengthening the effectiveness and improving the efficiency of the Agency's safeguards system.

The cover note by the Secretariat provides further information on specific aspects of the Additional Protocol. We have noted that as regards the last sentence of Article 1(a) the Secretariat has clarified that the sentence refers to the Articles on 'Designation of Agency inspectors' and 'Visas'. We have further noted the Secretariat's confirmation that the provisions on "Cooperation, interpretation and application of the Safeguards Agreement and settlement of disputes" as contained in the Safeguards Agreement, would apply to the Additional Protocol.

Madam Chair,

For a country that accounts for one-sixth of humanity, energy security is a national priority and is essential to maintain optimal levels of economic growth and ensure sustainable development. If we are to achieve our goal of abolishing mass poverty by 2020, we need to maintain a growth rate of 8-10 percent. As an environmentally clean and sustainable energy source, nuclear power is thus indispensable to meet India's energy needs. At the same time, we see nuclear energy as capable of addressing common global concerns to address the problems of climate change.

India's nuclear programme which is based on robust and self-reliant R&D, has mastered all aspects of the nuclear fuel cycle. We have built vibrant programmes in Pressurized Heavy Water Reactors, Fast Reactors, Thorium Reactors and related fuel cycle technologies as part of our three stage nuclear programme. Based on the progress we have achieved so far we are confident of meeting important milestones, including the launch of the 500 MWe Fast Breeder Reactor for commercial operations in 2011.

India is in the process of a major expansion of its nuclear power sector. We have set a national goal of a fifteen-fold expansion of nuclear power in the next two decades. We see international cooperation in the peaceful uses of nuclear energy as a valuable additionality to our national efforts. In cooperation with various countries, we are making considerable progress in operationalizing the Civil Nuclear Initiative through the conclusion of various cooperation agreements.

As the global nuclear renaissance unfolds, we believe that India's integration into and cooperation with the international nuclear community will be indispensable to realizing our shared vision of using nuclear power as a clean and secure energy source and as a pathway for India's own contribution for the growth of global nuclear power. We also stress that partnership between India and the international community is of critical importance in promoting energy security, sustainable development and effective non-proliferation. India is committed that its national export controls will remain at par with the best international standards. Our commitment to global non-discriminatory nuclear disarmament remains firm and I take this opportunity to reiterate it today.

Madam Chair,

The finalization of the Additional Protocol is a significant milestone in the longstanding cooperation between India and the Agency and brings to a culmination the steps envisaged in the Civil Nuclear

Initiative. The willingness of India, a country that has voluntarily accepted safeguards on its civilian nuclear facilities and is now prepared to accept an Additional Protocol, is of considerable significance for the IAEA's Safeguards system.

I would like to take this opportunity to convey our deep appreciation to members of the Board of Governors for their support. We would also like to convey our appreciation to the negotiating team of the Secretariat of the Agency for their dedicated efforts in ensuring the early finalization of the text of the Additional Protocol. We look forward to cooperating with the Agency to facilitate the implementation of the Safeguards Agreement and this Protocol in accordance with their provisions as a whole.

Before closing, I would like to compliment the Director General Dr Mohammed ElBaradei for his outstanding leadership of the Agency and for his steadfast commitment for expanding the Agency's cooperative relations with India.

Thank you Madam Chair.

End of Indian Text.

Personnel Matters

124. (U) Consistent with the UN salary scale adopted at the 63rd UNGA, the Board approved by consensus a revision to the salary scale for professional staff and higher (including the Director General) at the IAEA. The IAEA had provisionally implemented the salary scale with an increase of 2.33 percent since January 1 which will be applied on a no loss/no gain basis.

SCHULTE